

Please understand that if a transfer of title (or a recorded contract of sale) does not meet one of the criteria in Sections A or B, the Affidavit of Property Value is required.

EXPLANATION OF EXEMPTION CODES

Under SECTION A, the Affidavit does not apply to the following instruments:

- A1.** **A deed representing the payment in full of a recorded contract, or forfeiture of a recorded contract.**
Example: Payoff of a land contract or an installment contract.
- A2.** **A lease or an easement on real property.**
Example: Granting permission for the use of a portion of your land to a utility company.
- A3.** **A sale or a conveyance involving the government, including federal, state, county, or local municipality.**
- A4.** **A quitclaim deed to quiet title as described in Arizona Revised Statutes, section 12-1103, subsection B.**
This one is very specific, and these cases are generally rare. This code applies only to a specific action to quiet title described in A.R.S. 12-1103(B). Please refer to the statute.
- A5.** **A conveyance recorded to satisfy a court order.**
Example: Transfer of property ordered by a court in a bankruptcy or a divorce case.
- A6.** **A deed to an unpatented mining claim.**
In general, these cases are rare.
- A7.** **A deed recorded to show transfer of real property as a gift where no money changes hands.**
Example: Granting ownership of a property as a wedding present.

EXPLANATION OF EXEMPTION CODES

Under SECTION B, the Affidavit does not apply to the following transfers of title:

B1. A transfer solely in order to provide or release security for a debt or obligation, including a trustee's deed pursuant to power of sale under a deed of trust.

Example: Party #1 transfers title to Party #2 to provide security for a loan from Party #2.

Example: Party A transfers title to Party B to gain release from a debt owed to Party B.

B2. A transfer that confirms or corrects a deed previously recorded.

Example: Name on the original deed was misspelled.

B3. A transfer between husband and wife, or parent and child, with no money changing hands, or with only nominal consideration changing hands.

Nominal consideration is typically less than \$100.

B4. A transfer of title on a sale for delinquent taxes or assessments.

Example: Property sold in a Sheriff's sale.

Note: This type of sale usually involves a Treasurer's Deed.

B5. A transfer of title on partition. Partition, in this case, means a division of a property between co-owners or co-proprietors.

Example: Dividing a large parcel into smaller parcels to be distributed among the heirs of an estate so that each owns their own parcel.

NOTE: If an owner divides a parcel in such a manner that the new parcels remain in his ownership, in essence there is no transfer of title, and thus no need for an Affidavit nor an Exemption Code. Yet, if the Recorder desires, the B5 Exemption Code can be utilized in this situation. For instance, an owner of a 10-Acre parcel divides it into a 1-Acre parcel and a 9-Acre parcel, and he retains ownership of the two new parcels

B6. A transfer of title pursuant to a merger of corporations.

Example: Title of property owned by Corporations X and Y changing to Corporation Z, when Corporations X and Y merge to form Corporation Z.

EXPLANATION OF EXEMPTION CODES

- B7.** A transfer by a subsidiary corporation to its parent corporation for no consideration, nominal consideration, or in sole consideration for canceling or surrendering the subsidiary's stock.
Example: Parent Company X absorbing subsidiary Company Y's assets.
- B8.** A transfer from a person to a trustee, or from a trustee to a trust beneficiary, with only nominal consideration for the transfer.
Example: Transfer of property under the terms of a will.
- B9.** A transfer of title to and from an intermediary for the purpose of creating a Joint Tenancy Estate, or some other form of ownership.
Example: Transfer to and from a straw man. A straw man is a disinterested third party, usually used to change the form of ownership, e.g., creating a Joint Tenancy Estate.
- B10.** A transfer of title from a husband and wife, or from one of them, to both husband and wife, to create an Estate in Community Property with right of survivorship.
- B11.** A transfer of title from two or more persons to themselves, to create an Estate in Joint Tenancy with right of survivorship.
Example: Two individuals convey ownership to themselves in a Joint Tenancy Estate with the right of survivorship.
- B12.** A transfer of title pursuant to a beneficiary deed with only nominal consideration for the transfer.